



OFFICE OF THE ATTORNEY GENERAL  
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DEPARTMENT OF COMMERCE AND  
INSURANCE COMMISSIONER ANNE POPE

## NEWS RELEASE

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FOR IMMEDIATE RELEASE

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### **STATE ANNOUNCES MORE THAN 8,750 TENNESSEANS MAY APPLY FOR REFUNDS FROM AUTO DEALERS BILL HEARD MEMPHIS, BILL HEARD NASHVILLE**

Bill Heard Nashville and the former Bill Heard Memphis have agreed to alter their alleged deceptive practices regarding the manner in which they listed the business tax and to provide refunds to affected customers as part of an agreement with the Tennessee Attorney General's Office and Tennessee Division of Consumer Affairs.

The dealerships are alleged to have illegally charged customers for the dealerships' business tax by listing it as sales tax or state and local tax on some auto contracts, according to the settlement. State law permits the business to pass the tax along to consumers, but it must be listed separately.

Airport Chevrolet of Memphis (formerly Bill Heard Memphis) also is alleged to have used misleading prize and credit promotions in violation of Tennessee consumer laws. Additionally, the dealership is alleged to have sold some customers' trade-in vehicles before they were actually approved for credit.

The auto dealerships will send out letters from the State to an estimated 8,750 Tennesseans who may have been affected, including about 6,000 in Nashville. Bill Heard will

refund the full amount of the business tax charged to the consumer if the transaction was final; the vehicle was purchased between July 1, 1999-June 30, 2000; the documents did not list the business tax separately; and the customer paid it.

We expect notices to be mailed on Feb. 12, 2001. Consumers will have 75 days to return the refund claim form. From there, the company will have 45 days to determine whether individual consumers are eligible for a refund. Refunds are expected to be between \$5-\$30 for each consumer.

Bill Heard Nashville and Airport Chevrolet of Memphis have agreed to pay a total of \$27,500 in civil penalties, costs of the investigation, attorney fees and consumer education. Neither has admitted nor denied wrongdoing in this matter.

The Attorney General expressed his appreciation for the cooperation of Bill Heard Nashville and Bill Heard Memphis and thanked the Motor Vehicle Commission for assistance in the case.